

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK

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9384-2557 QUÉBEC INC., a Canadian corporation;  
MINEDMAP, INC., a Nevada corporation; and SERENITY  
ALPHA, LLC, a Nevada limited liability, and other similarly  
situated individuals,

Plaintiffs,

-against-

NORTHWAY MINING, LLC, a New York limited liability  
company; MICHAEL MARANDA, an individual; MICHAEL  
CARTER, an individual; CSX4236 MOTORCYCLE  
SALVAGE, LLC, a New York limited liability company;  
DROR SVORAI, an individual; MINING POWER GROUP,  
INC., a Florida corporation; HUDSON DATA CENTER, INC,  
a New York Corporation, MICHAEL MARANDA, LLC, a  
New York Limited liability company; PORTER KING HILL  
CONTRACTING, LLC, COINMINT, LLC, a Delaware limited  
liability company,

Defendants.

**AFFIDAVIT OF MICHAEL  
MARANDA**

**In Opposition to Motion for Fees  
and Costs**

Civ. Action No.: 1:19-CV-00501-  
TJM-CFH

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I, **MICHAEL MARANDA**, declare under penalty of perjury that the following is true and  
correct:

1. I am a defendant in this action. I am also an owner of co-defendants Northway  
Mining LLC (“NWM”), Michael Maranda LLC (“MMLLC”) and Hudson Data Center, Inc.  
(“HDC”). I submit this affidavit in opposition to the motion by the plaintiffs for fees and costs.

2. The plaintiffs’ motion apparently seeks fees and costs concerning some events in  
2019 and some events in 2020. In this affidavit I will focus mainly on the events of 2019, because  
I already recently addressed the events of 2020 in an affidavit that I submitted in opposition to the  
plaintiffs’ separate motion for contempt on August 14, 2020 (see **Exhibit A** hereto).

**A. The plaintiffs' motion for fees and costs as to events of 2019.**

3. As I explained in my August 14 affidavit, in the fall of 2018 my company NWM entered into a cryptocurrency mining hosting services agreement with plaintiff Serenity Alpha, LLC. (Exhibit A ¶¶11-12.) We dealt with Serenity and plaintiff Minedmap, Inc. interchangeably (the two companies are apparently affiliates and Allen Song and Daniel Kim interacted with me as principals for both companies). Therefore, in this affidavit I will refer to those plaintiffs together as "Serenity/Minedmap."

4. Largely in reliance on the Serenity/Minedmap contract, and in expectation of the revenue we expected from hosting the machines, NWM invested hundreds of thousands of dollars in building out our property at Flint Mine Road in Cocksackie, New York. (*Id.* ¶13.) We devoted substantial labor and expense to setting up and programming Serenity's machines to operate.

5. When the time came for us to turn on Serenity's machines and start hosting them in November 2018, Serenity/Minedmap backed out. The bitcoin market was in a significant downtrend, and Allen Song of Serenity/Minedmap said that his "customer" (apparently an investor) had "gone dark." Song wanted to renegotiate the electrical rate that we were going to charge Serenity/Minedmap from \$0.07 per kilowatt hour to \$0.05 per kilowatt hour. I declined that because the transaction would not be profitable for NWM at the lower rate. (*Id.* ¶20.) After further negotiation with Serenity/Minedmap, we agreed to look for another facility where we might be able to subcontract the hosting services to another provider at a lower rate. (*Id.*) Although this was far from ideal from my point of view (given what I invested to improve my facility), at least contracting out the services might net us something, and it would allow us to clear Serenity/Minedmap's machines out of the Cocksackie facility to try to bring in machines from other

customers—I did not want Serenity/Minedmap’s machines taking up space in Cocksackie, doing nothing.

6. In November, December and January I researched a number of other sites, looking for a suitable place to move the Serenity/Minedmap machines. In the beginning of 2019 we settled on Coinmint, LLC in Massena, New York. I informed Mr. Song and Mr. Kim (Serenity/Minedmap) that that I was going to contract with Coinmint to move their machines there. Song and Kim did not object. We transported all of the Serenity/Minedmap machines to Coinmint in the first week of February 2019. Mr. Song and Mr. Kim were aware in February 2019 that we had moved the Serenity/Minedmap machines to Coinmint.

7. Even after we had done that, later in February 2019 Mr. Song and Mr. Kim informed me that they still did not want to go forward with the services, and demanded the return of their machines. I refused because my business had incurred great effort and expense to get their machines situated for operation (as described above) and believed that we were permitted to retain them until Serenity/Minedmap compensated NWM. I intend to counterclaim for those losses.

8. The Serenity/Minedmap machines remained at Coinmint for nearly a year. In January 2020, when our contract with Coinmint was expiring, I had the Serenity/Minedmap machines transferred from Coinmint to the two locations in Oswego, New York: 193 East Seneca Street and 2140 County Route 1, Oswego, New York. They have been there ever since. There are 2,051 Serenity/Minedmap machines there (between the two locations).


9. Apparently the plaintiffs filed this case in April 2019. The Serenity/Minedmap machines were already at Coinmint before that (as of the first week of February 2019), and Mr. Song and Mr. Kim knew that. We did not move the machines to Coinmint to avoid Serenity/Minedmap or to avoid this lawsuit, we moved them to Coinmint before the litigation for

the reasons I stated above, with Serenity/Minedmap's knowledge. Therefore, I do not know why the plaintiffs apparently visited NWM's Coxsackie facility on May 8, 2019 to collect the machines (as they allege in the motion), and I was not in Coxsackie when they say they were there.

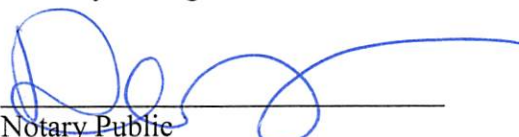
**B. The plaintiffs' motion for fees and costs as to the events of 2020**

10. With regard to the part of the plaintiffs' motion directed at the recent events of 2020, I respectfully incorporate by reference my August 14 affidavit (Exhibit A hereto). In that affidavit, I explain that all 2,051 Serenity/Minedmap machines that we have are at the two locations in Oswego were there for the plaintiffs and the Marshalls to take on July 24, 2020 (and are still there).

I declare under penalty of perjury that the following is true and correct.

  
\_\_\_\_\_  
Michael Maranda

Sworn to before me this  
18th day of August, 2020

  
\_\_\_\_\_  
Notary Public

Deanna M. Dudley  
Notary Public, State of New York  
Reg. No. 01DU6340971  
Qualified in Albany County  
Commission Expires May 02, 2024